

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE ADDISON WATER
AND SEWAGE TREATMENT FACILITIES

ALLEGED VIOLATION OF KRS CHAPTER 278

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) CASE NO.
) 93-053
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O R D E R

On May 28, 1993, George C. Lucas ("Lucas") filed with the Commission a tariff setting forth the rates he proposes to charge for water and sewer service.

On June 16, 1993, the Intervenor filed a motion requesting the Commission to suspend Lucas's proposed tariff. In their motion, Intervenor allege that the proposed rates are unreasonable and that the service provided had been unreasonable, unsafe, insufficient and inadequate. Lucas filed his response on June 22, 1993. In that response Lucas contends that the rates should not be suspended because the proposed tariff is based upon both actual and estimated data which cannot be verified at this time; that improvement and maintenance on the plant is on-going; and that he should not have to advance significant costs for the utility's operation while some customers are not paying their bills.

Based upon the foregoing, the Commission finds that:

1. It is necessary for the Commission to expand this investigation to include an investigation into the current proposed rates of Lucas.

2. Upon review of the tariff, additional information is necessary for the Commission, pursuant to KRS 278.190, to determine whether the proposed rates are fair, just, and reasonable.

3. Due to the need for information, further proceedings are necessary and such proceedings cannot be completed prior to the proposed effective date.

IT IS THEREFORE ORDERED that:

1. The Intervenor's motion is hereby granted.

2. The proposed tariff is hereby suspended for 5 months from June 27, 1993 up to and including November 26, 1993.


3. Lucas is hereby notified that the Commission has directed Commission Staff to investigate the proposed rates to determine their reasonableness and that the Commission may adjust said rates according to what is fair, just, and reasonable.

4. Within 20 days from the date of this Order, Lucas shall file with the Commission any information or documentation supporting the proposed rates. If estimates are the bases for the proposed rate, Lucas shall file any documentation supporting how he arrived at such estimates.


5. Nothing contained herein shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

Done at Frankfort, Kentucky, this 25th day of June, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director